

THIRTY-EIGHTH DAY

(Continued)

(Wednesday, March 15, 1939)

The House met at 10:00 o'clock a. m., and was called to order by Speaker Morse.

Prayer was offered by Rev. George W. Coltrin, Chaplain, as follows:

"Our Heavenly Father, we are grateful this morning for Thy continued blessing upon us. May we be enabled to think soberly and deeply regarding our duties, which are so far-reaching and which so seriously affect our people. Wilt Thou help us to bear the real burdens of legislation that devolve upon us today. In Jesus' name. Amen."

LEAVES OF ABSENCE GRANTED

(By unanimous consent)

Mr. Keith was granted temporary leave of absence for today, on account of important business, on motion of Mr. Vale.

Mr. Ragsdale was granted temporary leave of absence for today, on account of important business, on motion of Mr. Schuenemann.

MESSAGE FROM THE GOVERNOR

The Speaker laid before the House, and had read, the following message from the Governor:

To the Members of the House of Representatives of the Forty-sixth Legislature:

I am submitting herewith for your consideration as emergency legislation a suggested resolution.

This suggested resolution pertains to a proposal contained in Senate Bill No. 330 which has been introduced in the Congress of the United States.

I believe that a careful reading of the proposed resolution will enable you to decide what action on our part is necessary for the protection of the rights of our Texas citizens; and the right action on your part may save approximately \$750,000 annually for our State.

I trust you will give this matter your prompt and careful consideration.

Respectfully submitted,
W. LEE O'DANIEL,
Governor of Texas.

MEMORIALIZING CONGRESS IN REGARD TO PASSAGE OF CERTAIN LEGISLATION

Mrs. Colson offered the following resolution:

H. S. R. No. 172, Memorializing Congress in regard to passage of certain legislation.

Whereas, There has been introduced in the Congress of the United States a bill numbered Senate Bill 330, commonly referred to as the O'Mahoney-Borah Federal Licensing Bill for corporations designed to regulate commerce by prescribing the conditions under which corporations may be licensed to do business and increasing the power and duties of the Federal Trade Commission; and

Whereas, Under the definition of commerce as used in said bill, the Federal Trade Commission would be authorized to not only regulate interstate commerce but to a large degree regulate intrastate commerce that might effect interstate commerce; and

Whereas, Under the licensing system proposed in said O'Mahoney-Borah Licensing Bill, the Federal Trade Commission would then exercise the supervision and control as well as the collection of fees from all corporations having assets of One Hundred Thousand (\$100,000.00) Dollars or more, whether domestic or foreign, doing business in the State of Texas, which said supervision and control is to be superior to the supervision and control now exercised by the State of Texas; and

Whereas, The Secretary of State of Texas is now charged by the laws of this State with the supervision and control of, as well as collection of taxes from, all corporations doing business in this State whether domestic or foreign and the State of Texas derives in excess of One Million, Seven Hundred and Fifty Thousand (\$1,750,000.00) Dollars of revenue annually from this source; and

Whereas, The passage of said Senate Bill 330 known as the O'Mahoney-Borah Licensing Bill would deprive the Secretary of State of the State of Texas of his supervision and control of said corporations and would deprive the State of Texas of revenue from taxation of more than half the corporations doing business in the State, which revenue is conservatively estimated at Seven Hundred and Fifty Thousand (\$750,000.00) Dollars; and

Whereas, The Secretary of State's office has called this matter to the attention of the Forty-sixth Legislature of the State of Texas requesting that they take such action as they feel proper and expedient in the premises; now, therefore, be it

Resolved by the House of Representatives of the Forty-sixth Legislature of the State of Texas:

First, The House of Representatives of the State of Texas considers the provisions of Senate Bill 330, commonly known as the O'Mahoney-Borah Licensing Bill, now under consideration by the United States Senate by the terms of which all corporations would be required to secure a Federal license before such corporation could engage in interstate commerce to any extent and which would impose upon such corporation as a condition of procuring a license regulations effecting the action of the corporation in matters that are not interstate, would be an unwarranted, an unjustified intrusion upon the powers reserved by the Constitution of the United States to the States and to the people as well as the powers and rights of Texas upon her annexation; and

Said provision represents an unwarranted interference with the right of this State to determine and to regulate the actions of corporations within its border in all matters that are not interstate and do not directly effect interstate commerce and the House of Representatives urges the Senators and the Members of the House of Representatives in our National Congress from Texas to demand that these provisions be eliminated from the bill and that said bill be so written as not to infringe upon the rights of the State of Texas to regulate, control, supervise and tax the corporations now chartered to do business in the State of Texas and the foreign corporations operating under permit to do business in the State of Texas; second, resolved

Therefore, That a copy of this resolution after being duly witnessed and sealed by the Speaker of the House of Representatives and attested to by the Chief Clerk of the House be sent to each United States Senator and Member of Congress from Texas.

COLSON, MRS.,
BAKER of Grayson,
BOYER,
LITTLE,

LANGDON,
HANKAMER,
MORSE,
HARTZOG,
THORNTON,
HEFLIN,
WAGGONER,
RAGSDALE,
BOND,
HOWARD,
HARDIN,
HARPER,
McDONALD,
CORY,
COLEMAN,
JOHNSON of Tarrant,
HULL,
BELL,
THORNBERRY,
HARDEMAN,
PETSCH,
BROWN of Cherokee,
WRIGHT,
BAKER of Fort Bend,
WORLEY,
OLSEN,
COLQUITT,
SHELL,
GOODMAN,
LOCK,
SCHUENEMANN,
TAYLOR,
SKILES,
PEVEHOUSE,
MOHRMANN,
McDANIEL,
ROBINSON,
CELAYA,
FERGUSON,
WOOD,
HAMILTON,
McALISTER,
DOWELL,
McNAMARA,
LONDON,
DEAN,
GORDON, MRS.
CORNETT,
KERN,
DICKISON,
DERDEN,
ALSUP,
FAULKNER,
SMITH of Hopkins,
KERSEY,
MONTGOMERY,
STOLL,
SEGRIST,
BRIDGERS,
STINSON,
LEYENDECKER,
HARRELL of Bastrop,
GALBREATH,
DONAGHEY,

GILMER,
 KING,
 BLANKENSHIP,
 SMITH of Frio,
 TARWATER,
 NICHOLSON,
 BOYD,
 MONKHOUSE,
 FELTY,
 COCKRELL,
 DICKSON,
 BRADFORD,
 CLEVELAND,
 BAILEY,
 CAUTHORN,
 BROWN of Nacogdoches,
 VINT,
 CLARK,
 FUCHS,
 TURNER,
 HARRELL of Lamar,
 REAVES,
 ALLISON,
 SMITH of Matagorda,
 LOGGINS,
 HALE,
 HARRIS,
 WHITE,
 KEITH,
 LEONARD,
 REED,
 BURNEY,
 BUNDY,
 WELDON,
 LEHMAN,
 FIELDEN,
 VALE,
 SPENCER,
 WILSON,
 RUSSELL,
 ANDERSON,
 TENNANT,
 POPE,
 NEWELL,
 TALBERT,
 DANIEL,
 RHODES,
 DAVIS of Upshur,
 MAYS,
 ROBERTS,
 DAVIS of Jasper,
 KINARD,
 HOLLAND,
 ISAACKS,
 WELLS,
 BROADFOOT,
 CROSSLEY,
 PINER,
 RIVIERE,
 BURKETT,
 ROACH,
 ALLEN,
 HUNT,
 HOWINGTON.

The resolution was read second time, and was adopted.

ADOPTION OF CONFERENCE REPORT ON SENATE BILL NO. 175

Mr. Dickison, Chairman, submitted the following Conference Report on Senate Bill No. 175:

March 13, 1939.

Hon. Coke Stevenson, President of the Senate.

Hon. R. Emmett Morse, Speaker of the House of Representatives.

Sirs: We, your Conference Committee, to whom was referred Senate Bill No. 175, appointed to adjust the differences between the two Houses on Senate Bill No. 175, beg to recommend that said bill be passed in the form and text as submitted herewith.

Respectfully submitted,

SPEARS,
 NELSON,
 GRAVES,
 VAN ZANDT,
 MARTIN,

On the part of the Senate.

DICKISON,
 DWYER,
 HOWARD,
 STINSON,

JOHNSON of Tarrant,

On the part of the House.

S. B. No. 175

A BILL

To Be Entitled

An Act authorizing independent school districts and cities which have assumed the control of public schools situated therein to build or purchase buildings and grounds located within or without the district or city, for the purpose of constructing gymnasias, stadia, or other recreational facilities, and to mortgage and encumber the same, and the income thereof, and to evidence the obligation therefor by the issuance of bonds to secure the payment of funds to purchase or construct or to purchase and construct the same; providing that the purchaser shall have a franchise to operate same in case of foreclosure; providing that no such obligation shall ever be a debt of any such school district or city, but solely a charge upon the property so encumbered;

providing that no election for the issuance of such bonds shall be necessary, providing that the governing body of any such school district or city may in its discretion and as additional security for such bonds, encumber and pledge other income and revenues accruing to the athletic fund; providing that such project shall be deemed self-liquidating in character; providing that the cost of maintaining and operating the project shall be a first charge against the revenues of the project; providing that such bonds shall be payable from the net revenues of the project, together with all future extensions or additions thereto, or replacements thereof; providing for the payment of said bonds; providing that the holder of said bonds shall never have the right to demand payment thereof out of any funds raised or to be raised by taxation; providing that said bonds shall be approved by the Attorney General and registered by the State Comptroller, providing that no bonds authorized to be issued or executed after the expiration of two (2) years from the effective date of this Act; providing that no land upon which is situated school improvements shall be subject to the indebtedness created hereunder; validating acts heretofore performed by school districts; enacting provisions incident and relating to the subject and purpose of this Act, and declaring an emergency.

Be It Enacted by the Legislature of the State of Texas:

Section 1. All independent school districts, and all cities which have assumed the control of the public schools situated therein, shall have power to build or purchase buildings and grounds located within or without the district or city, for the purpose of constructing gymnasias, stadia, or other recreational facilities, and to mortgage and encumber the same, and the income, tolls, fees, rents, and other revenues therefrom, and everything pertaining thereto, acquired or to be acquired, and to evidence the obligation therefor by the issuance of bonds to secure the payment of funds to purchase or to construct, or to purchase and construct the same, including the purchase of

equipment and appliances for use therein, and as additional security therefor by the terms of such encumbrance, may grant to the purchaser under sale or foreclosure thereof a franchise to operate said properties so purchased for a term of not more than ten (10) years after such purchase. No such obligation shall ever be a debt of any such school district or city, but solely a charge upon the property so encumbered, and shall never be reckoned in determining the power of any such school district or city, to issue bonds for any other purpose authorized by law; provided that no election for the issuance of the bonds herein authorized shall be necessary, but the same may be authorized by a majority vote of the Board of Trustees of such independent school district or the governing body of such city.

Sec. 2. Projects financed in accordance with this law are hereby declared to be self-liquidating in character and supported by charges other than taxation.

Sec. 3. Such bonds shall be payable from the net revenues of the project together with all future extensions or additions thereto or replacements thereof, and the governing body of such school district, or city, shall provide in the ordinance or resolution authorizing the bonds, that the cost of maintaining and operating the project shall be a first charge against such revenue, the maintenance and operating expenses to include only such items as are set forth in said ordinance or resolution. After the payment of such maintenance and operating expenses a sufficient amount of the revenues remaining shall be set aside in a fund known as the Gymnasium or Stadium Bond Interest and Redemption Fund to provide for the payment of principal of and interest upon such bonds plus a reasonable amount as a margin for safety. Such fund shall be used for no other purpose than to pay the principal of and interest on said bonds. Any revenues remaining after making the payments hereinabove provided for may be used for any lawful purpose.

Sec. 4. Every bond issued or executed under this law shall contain the following clause:

"The holder hereof shall never have the right to demand payment of this

obligation out of any funds raised or to be raised by taxation."

Such bonds shall be presented to the Attorney General for his approval as is provided for the approval of other school bonds and in such cases the bonds shall be registered by the State Comptroller as in the case of other school bonds.

Sec. 5. No bonds authorized to be issued or executed under this Act, shall be issued or executed after the expiration of two (2) years from the effective date of this Act.

Sec. 6. No land upon which is situated any of the school improvements other than as described herein shall ever be subject to the payment of any indebtedness created hereunder, nor shall any encumbrance ever be executed thereon.

Sec. 7. That all acts performed, proceedings had and contracts executed by school districts to which this Act is applicable, and by the governing bodies thereof, which acts, proceedings and contracts were unauthorized by law at the time of their performance or execution, but which would have been authorized under the terms of this Act had the same been in force at such time, are hereby validated, ratified, approved and confirmed in all respects as fully as though they had been duly and legally performed, had and executed in the first instance.

Sec. 8. The fact that many school districts are in need of the facilities hereunder described and that the taxing power of such school districts is limited and will not permit the levying of a tax to purchase same, creates an emergency and an imperative public necessity demanding the suspension of the Constitutional Rule requiring bills to be read on three several days in each House, and said Rule is hereby suspended, and this Act shall take effect and be in force from and after its passage, and it is so enacted.

On motion of Mr. Dickison, the report was adopted by the following vote:

Yeas—128

Allen	Baker
Allison	of Fort Bend
Alsup	Baker of Grayson
Anderson	Bell
Bailey	Blankenship

Bond	Kersey
Boyd	King
Boyer	Langdon
Bradbury	Lehman
Bradford	Leyendecker
Bridgers	Little
Brown of Cherokee	Lock
Brown	London
of Nacogdoches	Mays
Bundy	McAlister
Burkett	McDaniel
Burney	McDonald
Cauthorn	McFarland
Chambers	McMurry
Clark	McNamara
Cleveland	Mohrmann
Coleman	Monkhouse
Colquitt	Montgomery
Colson, Mrs.	Morris
Cornett	Newell
Corry	Nicholson
Crossley	Olsen
Daniel	Petsch
Davis of Jasper	Pevehouse
Davis of Upshur	Piner
Dean	Pope
Derden	Reader of Bexar
Dickison	Reader of Erath
Dickson	Reaves
Donaghey	Reed
Dowell	Rhodes
Dwyer	Riviere
Faulkner	Roach
Felty .	Roberts
Ferguson	Robinson
Fielden	Russell
Fuchs	Schuenemann
Galbreath	Segrist
Gilmer	Skiles
Goodman	Smith of Frio
Gordon, Mrs.	Smith of Hopkins
Hale	Smith
Hamilton	of Matagorda
Hankamer	Spencer
Hardeman	Stinson
Hardin	Stoll
Harp	Taylor
Harper	Thornberry
Harrell of Bastrop	Thornton
Harrell of Lamar	Turner
Harris	Vint
Hartzog	Voigt
Heflin	Waggoner
Holland	Weldon
Howington	Wells
Hunt	White
Isaacks	Wilson
Johnson of Ellis	Winfree
Johnson of Tarrant	Wood
Kennedy	Worley
Kern	
Bray	Nays—2
	Tennant

Present—Not Voting

Westbrook

Absent

Broadfoot	Loggins
Celaya	Oliver
Cockrell	Pace
Howard	Shell
Hull	Talbert
Kerr	Tarwater
Kinard	Vale
Leonard	Wright

Absent—Excused

Keith Ragsdale

SENATE BILL NO. 215 ON FINAL
PASSAGE

The Speaker laid before the House, as postponed business, on its final passage,

S. B. No. 215, A bill to be entitled "An Act assenting to the provisions of the Act of Congress entitled 'An Act to provide that the United States shall aid the States in wildlife-restoration projects and for other purposes', approved September 2, 1937, and declaring an emergency."

The bill having been read third time, on last Thursday, and further consideration of same postponed until today.

Senate Bill No. 215 was then passed by the following vote:

Yeas—112

Allen	Colquitt
Allison	Colson, Mrs.
Alsup	Cornett
Bailey	Corry
Baker	Crossley
of Fort Bend	Daniel
Baker of Grayson	Davis of Jasper
Blankenship	Dean
Bond	Derden
Boyer	Dickison
Bradbury	Dickson
Bradford	Donaghey
Bridgers	Dowell
Broadfoot	Dwyer
Brown	Faulkner
of Nacogdoches	Ferguson
Bundy	Fuchs
Burkett	Galbreath
Burney	Gilmer
Cauthorn	Goodman
Clark	Hale
Cleveland	Hamilton
Cockrell	Hankamer
Coleman	Hardeman

Hardin	Petsch
Harp	Pevehouse
Harrell of Bastrop	Piner
Harrell of Lamar	Reader of Erath
Hartzog	Reaves
Heflin	Reed
Howard	Rhodes
Hunt	Riviere
Isaacks	Roach
Johnson of Ellis	Roberts
Johnson of Tarrant	Robinson
Kennedy	Russell
Kern	Schuenemann
Kersey	Segrist
King	Skiles
Langdon	Smith of Hopkins
Lehman	Smith
Leyendecker	of Matagorda
Little	Spencer
Lock	Stinson
London	Stoll
Mays	Taylor
McAlister	Thornberry
McDaniel	Thornton
McDonald	Vint
McFarland	Voigt
McMurry	Waggoner
McNamara	Weldon
Monkhouse	Wells
Montgomery	Westbrook
Morris	Wilson
Newell	Winfree
Nicholson	Worley
Olsen	

Nays—4

Bray	Fielden
Brown of Cherokee	Howington

Present—Not Voting

White

Absent

Anderson	Loggins
Bell	Mohrmann
Boyd	Oliver
Celaya	Pace
Chambers	Pope
Davis of Upshur	Reader of Bexar
Felty	Shell
Gordon, Mrs.	Smith of Frio
Harper	Talbert
Harris	Tarwater
Holland	Tennant
Hull	Turner
Kerr	Vale
Kinard	Wood
Leonard	Wright

Absent—Excused

Keith Ragsdale

Mr. Blankenship moved to reconsider the vote by which Senate Bill No. 215 was passed.

Mr. Alsup moved to table the motion to reconsider.

The motion to table prevailed.

SENATE BILL NO. 270 ON PASSAGE TO THIRD READING

The Speaker laid before the House, as postponed business, on its passage to third reading,

S. B. No. 270, A bill to be entitled "An Act to reorganize the Special Ninth District Court of Montgomery County, Polk County, and San Jacinto County, Texas, by constituting it the Special Ninth District Court of Montgomery County, Polk County, San Jacinto County and Trinity County, prescribing its jurisdiction, limiting its existence, fixing its terms; to provide that the Judge of said Special Ninth District Court as now constituted shall continue to serve in the Special Ninth District Court after the same has been reorganized by this Act until the election and qualification of his successor; to limit the jurisdiction in Trinity County of such Special Ninth District Court; to provide that the District Clerks in the respective counties composing the Special Ninth District Court as herein reorganized, shall serve as the District Clerks of the Special Ninth District Court of Montgomery County, Polk County, San Jacinto County and Trinity County, in their respective counties, and declaring an emergency."

The bill having been read second time, on last Thursday, and further consideration of same postponed until today.

Senate Bill No. 270 was then passed to third reading.

SENATE BILL NO. 270 ON THIRD READING

Mr. Wright moved that the constitutional rule, requiring bills to be read on three several days, be suspended, and that Senate Bill No. 270 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—120

Allen
Allison

Alsup
Bailey

Baker	Langdon
of Fort Bend	Lehman
Baker of Grayson	Leonard
Bell	Leyendecker
Blankenship	Little
Bond	Lock
Boyd	London
Boyer	Mays
Bradbury	McAlister
Bradford	McDaniel
Bridgers	McDonald
Broadfoot	McFarland
Bundy	McMurry
Burkett	McNamara
Burney	Mohrmann
Cauthorn	Monkhouse
Chambers	Montgomery
Cleveland	Morris
Cockrell	Newell
Coleman	Nicholson
Colquitt	Oliver
Colson, Mrs.	Olsen
Cornett	Petsch
Crossley	Pevehouse
Daniel	Piner
Davis of Upshur	Reader of Erath
Derden	Reaves
Dickison	Reed
Dickson	Rhodes
Donaghey	Riviere
Dowell	Roach
Felty	Roberts
Ferguson	Robinson
Fielden	Russell
Fuchs	Schuenemann
Galbreath	Segrist
Gilmer	Skiles
Gordon, Mrs.	Smith of Frio
Hale	Smith of Hopkins
Hankamer	Smith
Hardeman	of Matagorda
Hardin	Spencer
Harp	Stinson
Harper	Stoll
Harrell of Bastrop	Taylor
Harrell of Lamar	Tennant
Hartzog	Thornberry
Heflin	Thornton
Holland	Vale
Howard	Vint
Howington	Voigt
Hunt	Waggoner
Isaacks	Weldon
Johnson of Ellis	Wells
Johnson of Tarrant	White
Kennedy	Wilson
Kern	Winfree
Kersey	Worley
King	Wright

Nays—1

Bray

Absent

Anderson	Hull
Brown of Cherokee	Kerr
Brown	Kinard
of Nacogdoches	Loggins
Celaya	Pace
Clark	Pope
Corry	Reader of Bexar
Davis of Jasper	Shell
Dean	Talbert
Dwyer	Tarwater
Faulkner	Turner
Goodman	Westbrook
Hamilton	Wood
Harris	

Absent—Excused

Keith	Ragsdale
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The Speaker then laid Senate Bill No. 270 before the House on third reading and final passage.

The bill was read third time, and was passed by the following vote:

Yeas—135

Allen	Davis of Upshur
Allison	Derden
Alsup	Dickison
Anderson	Dickson
Bailey	Donaghey
Baker	Dowell
of Fort Bend	Dwyer
Baker of Grayson	Faulkner
Bell	Felty
Blankenship	Ferguson
Bond	Fielden
Boyd	Fuchs
Boyer	Galbreath
Bradbury	Gilmer
Bradford	Goodman
Bridgers	Gordon, Mrs.
Broadfoot	Hale
Brown of Cherokee	Hamilton
Brown	Hankamer
of Nacogdoches	Hardeman
Bundy	Hardin
Burkett	Harp
Burney	Harper
Cauthorn	Harrell of Bastrop
Chambers	Harrell of Lamar
Clark	Harris
Cleveland	Heflin
Cockrell	Holland
Coleman	Howington
Colquitt	Hunt
Colson, Mrs.	Isaacks
Cornett	Johnson of Ellis
Corry	Johnson of Tarrant
Crossley	Kennedy
Daniel	Kern
Davis of Jasper	Kersey

King	Riviere
Langdon	Roach
Lehman	Roberts
Leonard	Robinson
Leyendecker	Russell
Little	Schuenemann
Lock	Segrist
Loggins	Skiles
London	Smith of Frio
Mays	Smith of Hopkins
McAlister	Smith
McDaniel	of Matagorda
McDonald	Spencer
McFarland	Stoll
McMurry	Tarwater
McNamara	Taylor
Mohrmann	Tennant
Monkhouse	Thornberry
Montgomery	Thornton
Morris	Turner
Newell	Vale
Nicholson	Vint
Oliver	Voigt
Olsen	Waggoner
Pace	Weldon
Petsch	Wells
Pevehouse	Westbrook
Piner	White
Ragsdale	Wilson
Reader of Bexar	Winfree
Reader of Erath	Wood
Reaves	Worley
Reed	Wright

Nays—1

Bray

Absent

Celaya	Kinard
Dean	Pope
Hartzog	Rhodes
Howard	Shell
Hull	Stinson
Kerr	Talbert

Absent—Excused

Keith

SENATE BILL NO. 95 ON FINAL PASSAGE

The Speaker laid before the House, as postponed business, on its final passage,

S. B. No. 95, A bill to be entitled "An Act to amend Article 1302, Title 32, of the Revised Civil Statutes of Texas, of 1925, by adding another subdivision thereto authorizing private corporations to be created for the purpose of manufacturing, buying and selling of lumber and building materials and the construction of build-

ings and improvements, and declaring an emergency."

The bill having been read third time, on last Wednesday, and further consideration of same postponed until today.

On motion of Mrs. Gordon, further consideration of the bill was postponed until 10:30 o'clock a. m., next Wednesday, March 22.

SENATE BILL NO. 69 ON SECOND READING

The Speaker laid before the House, on its second reading and passage to third reading,

S. B. No. 69, A bill to be entitled "An Act withdrawing from appearing party review in Court of Civil Appeals by means of writ of error, and declaring an emergency."

The bill was read second time.

(Mr. Leonard in the Chair.)

Senate Bill No. 69 was then passed to third reading.

SENATE BILL NO. 69 ON THIRD READING

Mr. Howard moved that the constitutional rule, requiring bills to be read on three several days, be suspended, and that Senate Bill No. 69 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—123

Allen	Cleveland
Allison	Cockrell
Alsup	Colquitt
Anderson	Colson, Mrs.
Bailey	Cornett
Baker	Crossley
of Fort Bend	Daniel
Baker of Grayson	Davis of Upshur
Blankenship	Derden
Boyd	Dickison
Boyer	Dickson
Bradbury	Dowell
Bradford	Dwyer
Bridgers	Faulkner
Broadfoot	Felty
Brown of Cherokee	Ferguson
Brown	Fielden
of Nacogdoches	Fuchs
Burkett	Goodman
Burney	Gordon, Mrs.
Cauthorn	Hale
Celaya	Hamilton
Chambers	Hankamer
Clark	Hardeman

Hardin	Petsch
Harp	Pevehouse
Harper	Piner
Harrell of Bastrop	Reader of Bexar
Harrell of Lamar	Reader of Erath
Hartzog	Reaves
Heflin	Reed
Holland	Riviere
Howard	Roach
Howington	Roberts
Hull	Robinson
Hunt	Russell
Isaacks	Schuenemann
Johnson of Ellis	Segrist
Johnson of Tarrant	Shell
Kennedy	Skiles
Kern	Smith of Frio
Kersey	Smith of Hopkins
King	Smith
Langdon	of Matagorda
Lehman	Spencer
Leyendecker	Stinson
Little	Stoll
Lock	Tarwater
Loggins	Taylor
London	Thornberry
McAlister	Thornton
McDonald	Turner
McFarland	Vale
McMurry	Vint
McNamara	Voigt
Mohrmann	Waggoner
Monkhouse	Weldon
Montgomery	Wells
Morris	Westbrook
Newell	White
Oliver	Wilson
Olsen	Winfree
Pace	Worley

Nays—6

Bell	Kerr
Bray	Pope
Galbreath	Wright

Absent

Bond	Kinard
Bundy	Mays
Coleman	McDaniel
Corry	Nicholson
Davis of Jasper	Rhodes
Dean	Talbert
Donaghey	Tennant
Gilmer	Wood
Harris	

Absent—Excused

Keith	Ragsdale
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The Chair then laid Senate Bill No. 69 before the House on third reading and final passage.

The bill was read third time, and was passed by the following vote:

Yeas—122

Allen	Isaacks
Allison	Johnson of Ellis
Alsup	Johnson of Tarrant
Bailey	Kennedy
Baker	Kern
of Fort Bend	Kersey
Baker of Grayson	King
Blankenship	Langdon
Boyd	Lehman
Boyer	Leyendecker
Bradbury	Little
Bradford	Lock
Bray	Loggins
Broadfoot	London
Brown of Cherokee	McAlister
Brown	McDonald
of Nacogdoches	McFarland
Burkett	McMurry
Burney	McNamara
Cauthorn	Mohrmann
Celaya	Monkhouse
Chambers	Montgomery
Clark	Morris
Cleveland	Newell
Cockrell	Oliver
Coleman	Olsen
Colquitt	Pace
Colson, Mrs.	Pevehouse
Cornett	Piner
Crossley	Reader of Bexar
Daniel	Reader of Erath
Derden	Reaves
Dickison	Reed
Dickson	Riviere
Dowell	Roach
Dwyer	Roberts
Faulkner	Robinson
Felty	Russell
Ferguson	Schuenemann
Fielden	Segrist
Fuchs	Shell
Gilmer	Smith of Frio
Goodman	Smith of Hopkins
Gordon, Mrs.	Smith
Hale	of Matagorda
Hamilton	Spencer
Hankamer	Stinson
Hardeman	Stoll
Hardin	Tarwater
Harp	Taylor
Harper	Thornberry
Harrell of Bastrop	Thornton
Harrell of Lamar	Turner
Hartzog	Vale
Heflin	Vint
Holland	Voigt
Howard	Waggoner
Howington	Weldon
Hull	Wells
Hunt	Westbrook

White
Wilson
Winfree

Worley
Wright

Nays—5

Bell
Davis of Upshur
Galbreath

Kerr
Pope

Present—Not Voting

Skiles

Absent

Anderson	Kinard
Bond	Mays
Bridgers	McDaniel
Bundy	Nicholson
Corry	Petsch
Davis of Jasper	Rhodes
Dean	Talbert
Donaghey	Tennant
Harris	Wood

Absent—Excused

Keith

Ragsdale

Mr. Howard moved to reconsider the vote by which the bill was passed and to table the motion to reconsider.

The motion to table prevailed.

TO SUSPEND CERTAIN RULE TO
CONSIDER HOUSE JOINT
RESOLUTION
NO. 16

Mr. Blankenship offered the following resolution:

H. C. R. No. 61, Providing for consideration of House Joint Resolution No. 16.

Whereas, House Joint Resolution No. 16, dealing with old age pensions, has been before the House for consideration for one day and its consideration has not been completed; and

Whereas, Without question this is the most important matter pending before the Legislature of Texas; and

Whereas, Under the joint rules of the Senate and the House it is impossible to consider this resolution on Senate Bill days without a suspension of the rule designating Wednesdays and Thursdays as Senate days on the House calendar; therefore, be it

Resolved by the House of Representatives and the Senate concurring, That the particular joint rule hereinbefore referred to be suspended for the purpose of enabling the House to consider House Joint Resolution No.

16 on the Senate calendar days for the House but for no other purpose.

BLANKENSHIP,
PETSCH.

The resolution was read second time, and was adopted by the following vote:

Yeas—129

Allen	Harper
Allison	Harrell of Bastrop
Alsup	Harrell of Lamar
Anderson	Hartzog
Bailey	Holland
Baker of Grayson	Howard
Blankenship	Howington
Bond	Hull
Boyer	Hunt
Bradbury	Isaacks
Bradford	Johnson of Ellis
Bray	Johnson of Tarrant
Bridgers	Kennedy
Broadfoot	Kern
Brown of Cherokee	Kerr
Brown	Kinard
of Nacogdoches	King
Bundy	Langdon
Burkett	Lehman
Burney	Leyendecker
Cauthorn	Little
Chambers	Lock
Clark	London
Cleveland	Mays
Cockrell	McAlister
Coleman	McDonald
Colquitt	McFarland
Colson, Mrs.	McMurry
Cornett	Mohrmann
Crossley	Monkhouse
Daniel	Montgomery
Davis of Jasper	Newell
Davis of Upshur	Nicholson
Dean	Oliver
Derden	Olsen
Dickison	Pace
Dickson	Petsch
Donaghey	Pevehouse
Dowell	Piner
Dwyer	Reader of Bexar
Faulkner	Reader of Erath
Felty	Reaves
Ferguson	Reed
Fielden	Rhodes
Fuchs	Riviere
Galbreath	Roach
Gilmer	Roberts
Goodman	Robinson
Gordon, Mrs.	Russell
Hale	Schuenemann
Hamilton	Segrist
Hankamer	Shell
Hardeman	Skiles
Harp	Smith of Frio

Smith of Hopkins	Vint
Smith	Voigt
of Matagorda	Waggoner
Spencer	Weldon
Stinson	Wells
Stoll	Westbrook
Talbert	White
Taylor	Wilson
Tennant	Winfree
Thornton	Worley
Turner	Wright
Vale	

Nays—7

Baker	Kersey
of Fort Bend	McNamara
Bell	Morris
Celaya	Thornberry

Absent

Boyd	Loggins
Corry	McDaniel
Hardin	Pope
Harris	Tarwater
Heflin	Wood

Absent—Excused

Keith	Ragsdale
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MESSAGE FROM THE SENATE

Austin, Texas, March 15, 1939.

Hon. R. Emmett Morse, Speaker of the House of Representatives.

Sir: I am directed by the Senate to inform the House the Senate has adopted the Conference Committee report on Senate Bill No. 175, by the following vote—Yeas, 26; Nays, 1.

Respectfully,

BOB BARKER,
Secretary of the Senate.

SENATE BILL NO. 135 ON SECOND READING

The Chair laid before the House, on its second reading and passage to third reading,

S. B. No. 135, A bill to be entitled "An Act further regulating all life, health and accident assessment insurance companies or associations or burial societies, repealing conflicting laws, authorizing the Board of Insurance Commissioners to limit the use of names, and to pass upon the worthiness of officers; requiring bonds of all employees having access to moneys; requiring deposits and limiting advertisements thereof; providing for keeping rosters and records of clubs, classes or groups, and prohib-

iting transfer of members, classes or groups to other associations or to other classes or groups without the approval of the Board; requiring the keeping of adequate records satisfactory to the Board; prescribing the contents and form of applications and certificates, and renewal thereof, and declaring an emergency."

The bill was read second time.

Mr. Heflin offered the following committee amendment to the bill:

Amend Senate Bill No. 135, by striking out all below the enacting clause and inserting in lieu thereof the following:

"Section 1. Scope of Act. This Act shall apply to and embrace all insurance companies and associations, whether incorporated or not, which issue policies or certificates of insurance on the lives of persons, or provide health and accident benefits, upon the so-called mutual assessment plan, or whose funds are derived from the assessments upon its policyholders or members, and shall, in fact apply to all life, health and accident companies or associations which do not come within the provisions of Chapter 3, Chapter 5, Chapter 7, Chapter 8, Chapter 9, Chapter 18, Chapter 19, or Chapter 20, Title 78 of the Revised Civil Statutes of Texas. This Act shall include local mutual aid associations, statewide life; or life, health and accident associations; mutual assessment life, health and accident associations; burial associations; and/or similar concerns, by whatsoever name or class designated, whether specifically named herein or not.

This Act does not enlarge the powers or rights of any of such associations nor enlarge the scope of their legal or corporate existence; nor authorize the creation of any association or corporation to do any of the sorts of business above indicated, where such creation is not now specifically permitted by law. The laws prohibiting or limiting such creation and the exercise of corporate power are not affected by this Act.

Sec. 2. Definitions. The following terms when used in this Act shall be defined:

"Association" shall refer to and include all types of organizations, corporations, firms, associations, or groups subject to the provisions of this Act.

"Board" shall refer to the Board of Insurance Commissioners of the State of Texas.

"Member" shall include policy holders or any persons insured by an association, by whatsoever means the insurance may be effective.

"Certificate" shall include any insurance policy or contract of insurance, certificate of membership or other document through which insurance is effected or evidenced.

"Face of certificate" shall refer to the maximum amount of promised benefits, as shown on the certificate.

"Paid in full" or "full payment" shall mean the payment of the full amount of maximum benefit due on the happening of the contingency insured against.

"Insolvent" shall refer to and include any condition or situation which is so designated herein and which is violative of the provisions of this law.

"Assessment" shall include premiums and mean any and all money or valuable thing paid in consideration of such insurance as is afforded by the certificate.

Sec. 3. Names of Associations. Upon application for charter to do business in Texas the Board of Insurance Commissioners may determine whether the name of the association would be confusing and misleading to the public; if so, it may refuse the certificate or charter, and prohibit the doing of business under the name.

Any amendment to the charter of an association operating under this Act changing the name of the association must be submitted to the Board of Insurance Commissioners for approval; and the charter of any association operating under this Act may not be amended to provide for changing its name to a name that is determined by the Board of Insurance Commissioners to be confusing and misleading to the public.

Sec. 4. Officers of associations. The Board of Insurance Commissioners shall not issue to any association a certificate of authority to do business in Texas, when it shall find any officer, employee, or member of the board of directors to be unworthy of the trust or confidence of the public. After a certificate has been granted, the Board shall order the removal of

any officer, employee, or director found unworthy of the trust, and if such officer, employee, or director be not removed the Board shall cancel the certificate and proceed to deal with the association as though it were insolvent.

Sec. 5. Bonds. Every official of any company or association coming within the provisions of this Act, and every employee charged with the handling of funds of such company or association, shall execute a bond, in addition to such other bond as may now be required, to be approved by and payable to the Board of Insurance Commissioners, in the sum of Twenty-five Hundred (\$2500.00) Dollars, and where more than Twenty-five Hundred (\$2500.00) Dollars cash is on hand, then the Board of Insurance Commissioners shall require such additional bond as is necessary to protect the policyholders. Such bond shall be with a surety authorized to do business in Texas, for the use and benefit of the association, obligating the principal and surety to pay such pecuniary loss as the association shall sustain through acts of fraud, dishonesty, forgery, theft, embezzlement, wrongful abstraction or wilful misapplication on the part of such officers or employees directly or alone or in connivance with others. Successive recoveries may be had on such bonds until same are exhausted.

Section 6. Deposits. Each association, not already required by existing laws to do so, shall place with the State Treasurer through the Board of Insurance Commissioners a deposit equal to the largest risk assumed on any one life or person, which may be in cash or in convertible securities subject to approval by the Board. Such deposit shall be liable for the payment of all judgments against the association and subject to garnishment after final judgments against the association. When such deposit becomes impounded or depleted it shall at once be replenished by the association, and if not replenished immediately on demand by the Board, the association may be regarded as insolvent and dealt with as hereinafter provided.

When any association shall desire to state in advertisements, letters, literature or otherwise, that it has made a deposit with the Board as required by law, it must also state in full the purpose of the deposit, the

conditions under which it is made, and the exact amount and character thereof.

Section 7. Membership. Each association shall keep a complete and correct roster of its members with proper statistical records for the purpose of determining proper cost of insurance, by ages or otherwise; and shall keep accurate records of groups, classes or clubs or other division of memberships, if any; and shall keep records to show amounts paid in on assessments by each member and each group, and as to groups, must show how the funds are distributed between expense and mortuary or relief funds; and showing the amounts paid out of the funds of the whole membership or each group in death claims or other benefits.

The associations subject to this law are hereby expressly prohibited from merging with another association, are prohibited from "transferring" any part or group of membership, or all the membership to another association, or from merging groups or transferring members from one group to another in an association without the consent in advance of the Board of Insurance Commissioners which may be given only after complete investigation into the facts and determination that such transfer or merger is to the advantage of all members of the associations or groups to be affected.

Section 8. Books and Records. All the records and books of each association shall be kept in the shape, form and manner acceptable to the Board, and if such records and books of any association are kept in such manner as not to reflect truly and accurately the condition of the association, or the facts essential to its faithful and effective operation the association shall at once adopt forms or systems acceptable to the Board which will serve the purpose most effectively.

Section 9. Policies or Certificates. Every policy or certificate of insurance issued by an association shall state definitely on the front page the amount of death benefit to be paid, and the circumstances or conditions under which it shall be paid, shall be plainly stated in the policy. Every health, accident or other benefit shall be plainly stated in the policy and the terms and conditions under which they shall be paid shall be stated plainly in the policy.

An application for each certificate must be signed by the applicant, unless the applicant is a minor, in which event the application may be signed by a parent or guardian, and a copy thereof must be attached to and made part of such certificate. If the certificate is to provide that misstatement as to the health or physical condition of the applicant may void the policy, the application shall so state in language acceptable to the Board in not less than ten (10) point type. All statements on the application shall in the absence of fraud be regarded as representations and not warranties.

All conditions of the certificate must be stated thereon, including such portions of the by-laws of the association as may affect the insurance rights of the parties in any material way; and amendments to the by-laws which might affect such rights of members must forthwith be mailed by first-class mail to each certificate holder affected. In case of controversy the burden of proof shall be on the company to prove the amendment was mailed to the member. Each certificate must provide that it shall be incontestable, after having been in force during the lifetime of the insured for a period of two (2) years from date of issue, except for non-payment of assessments. It shall also provide that in case the age of the insured is misstated, the amount of insurance shall be that which the premium actually paid would purchase at the correct age, based on rates in force at the time of the death of the insured. No certificate issued by such association, nor any application for the certificate shall contain language or be in such form as to mislead the applicant or the policyholder as to the type of insurance afforded.

It shall be unlawful for any association to assume liability on a life insurance risk on any one life in an amount in excess of Five Thousand (\$5,000.00) Dollars.

Every certificate issued must be approved by the Board as to form and language before it is used by an association. It is not mandatory that these forms be uniform for all associations, but the Board is directed to bring about as great uniformity as is feasible as early as practicable by co-operation with the several associa-

tions. All certificate forms hereafter used must be in accord with the provisions of this Act and with all other laws regulating such associations as are embraced in this Act.

It will not be required that an association call in and reissue outstanding certificates if upon proper application to the Board, and if special permission is granted by the Board, it shall by appropriate resolution or other action declare that claims and other obligations on outstanding certificates will be settled and met as though the requirements of this Act were contained in such certificates; and provided further that the association acts accordingly.

Section 10. Renewals of Certificates. In case a certificate shall terminate for any reason, and in case it shall be a rule of the association that all reinstated certificates shall be regarded as new certificates, then the application for reinstatement shall carry the statement in at least ten (10) point type that the same rules apply to it as to the original certificate, and that it can be invalidated for false statements respecting the health or physical condition of the applicant, or other matters material to the certificate. A true and correct copy of the application for reinstatement shall be mailed by first-class mail to the certificate holder upon the reinstatement of the certificate. In case of controversy the burden of proof shall be on the association to prove the copy of reinstatement application was mailed to the member. In the event a renewal certificate is issued, such renewal certificate shall have a copy of the application for reinstatement attached and made a part thereof.

It is specially provided, however, that in case an association shall renew or reinstate a certificate after termination, the payments by the reinstated member shall be divided between the funds in the same percentage as is required of regular payments in the particular by-laws, unless nine (9) months have elapsed between termination and reinstatement. If nine (9) months have elapsed between termination and reinstatement, a reinstatement fee not in excess of the membership fee may be charged and placed in the expense fund. Furthermore, in case of renewal or reinstatement the

renewal or reinstatement certificate shall not be contestable for any cause except non-payment of assessments for longer than six (6) months from date thereof, unless the reinstatement or renewal is within the original two (2) year contestable period, in which case the same may be extended for six (6) months from the date on which it would have originally expired.

Section 11. Assessments. Each association shall levy regular and periodical assessments by whatever name they may be called. These assessments must be in such amounts and at such proper intervals as will meet the reasonable operating expenses of the association, and pay in full the claims arising under its certificates. When or if in the course of operation it shall be apparent that the claims cannot be met in full from current assessments and funds on hand, the amount must be increased until they are adequate to meet such claims, and the Board shall so order.

When any association shall refuse to comply with the Board's recommendations or requirements respecting rates of assessments, it shall be treated as insolvent, and shall be dealt with as is hereinafter provided.

Each association operating under the provisions of this Act shall file its rate schedules with the Board of Insurance Commissioners.

Section 12. Funds. Assessments when collected shall be divided into at least two (2) funds. One of these shall be the mortuary or relief fund, by whatever name it may be called in the different associations, from which claims under certificates shall be paid, and to a limited extent the cost of defending contested claims, and reinsurance premiums, and nothing else; and the other funds shall be the expense funds from which expenses may be paid. The mortuary or relief funds may be invested only in such securities as are a legal investment for the reserve funds of stock life insurance companies.

Such association shall provide in its by-laws for the portion of its assessments to be allotted to the mortuary or relief fund and may provide for the payment out of said mortuary or relief fund of reinsurance premiums and all attorneys' fees and necessary expenses arising out of the defense, settlement, or payment

of contested claims. Any such payments out of the mortuary or relief fund for other than claims shall be subject to approval of the Board of Insurance Commissioners.

A separate record shall be kept of the mortuary or relief funds of each group, club, or class, and the mortuary or relief funds of one group, club, or class shall not be used to pay the claims or obligations of any other group, club, or class.

Section 13. Payment of Claims. It is the primary purpose of this Act to secure to the members of the associations and their beneficiaries the full and prompt payment of all claims according to the maximum benefit provided in their certificates. It is therefore required of all associations that all claims under certificates be paid in full in cash, or certified, or cashier's check within sixty (60) days after receipt of due proof of claims.

Written notice of claim given to the association shall be deemed due proof in the event the association fails upon receipt of notice to furnish the claimant, within fifteen (15) days, such forms as are usually furnished by it for filing claims.

Any association which shall become unable to pay its valid claims in full in cash, or certified, or cashier's check, within sixty (60) days after due proofs are received, shall for the purpose of this Act be regarded as insolvent, and dealt with as is more fully provided hereinafter.

Section 14. Contests. It shall not be unlawful for an association to contest claims for valid reasons; but claims may not be contested for delay only or for captious or inconsequential reasons, or to force settlement at less than full payment. Therefore, if liability is to be denied on any claim, the association is hereby required to notify the claimant within sixty (60) days after due proofs are received that the claim will not be paid, and failing to do so, it will be presumed as a matter of law that liability has been accepted.

The Board shall cancel the certificate of authority of any association found to be operating fraudulently or improperly contesting its claims.

Reports regarding the cost of contests must be made under oath of an officer of the association, with the annual report of all associations to the Board.

Section 15. Assessment-as-needed Groups. The provisions of this Act requiring the full payment of claims shall not apply to any group, club, or class previously organized and now operating on the post-mortem or assessment-as-needed plan and any association having such a group, club, or class may continue to operate it on said plan so long as any such group, club, or class has a sufficient membership at the assessment rate charged to produce, and so long as it does produce for the mortuary or relief fund at least fifty (50%) per cent of the maximum value of the largest policy in said group, club, or class. In the event the membership of any group, club, or class is only sufficient in number to pay between fifty (50%) per cent and one hundred (100%) per cent of the maximum value, it shall be the duty of the officers of said association to have printed on each assessment notice the percentage of the maximum value of the certificate actually paid on the last death claim in said group, club, or class. Provided further, that no association and no group, club, or class in any association shall hereafter be organized to operate on the post-mortem or assessment-as-needed plan.

If on any assessment the amount realized is not sufficient to pay fifty (50%) per cent of the face of the certificate, the association shall be deemed insolvent and dealt with as hereinafter provided.

Section 16. Creation of New Groups. In the creation of a new group, class, or club, an association may have six (6) months from the date of its creation within which to build said group, club, or class up to the required membership to pay claims in full provided in the interim the certificates provide for no more than a Five Hundred (\$500.00) Dollars benefit; or provided the association has funds out of which it may lawfully make and actually does make the full payment of benefits in the interim.

Section 17. Payments on Certificates Already in Force. If the payments of the members of any association coming within the scope of this Act, on certificates issued and in force when this Act takes effect, re-insurance or renewals of such certificates, shall prove insufficient to pay matured death and disability claims

in the maximum amount stated in such policies or certificates, and to provide for the creation and maintenance of the funds required by its laws, such association may with the approval of the Board of Insurance Commissioners and after proper hearing before said Board provide for meeting such deficiency by additional, increased, or extra rates of payment, or by reduction in the maximum benefits stated in such policies or certificates then in force, or by both such increased payments and reduced maximum benefits, or the members may be given the option of agreeing to reduced maximum benefits, or of making increased payments.

Section 18. Amending By-Laws. By-laws of any association may be amended by a majority of the members of the association present when ratified by the Board of Directors, but only at meetings called for that purpose, or at regular meetings. Amendments to the by-laws shall not be effective until approved by the Board of Insurance Commissioners. Notices of all meetings, whether regular or special, at which amendments to by-laws will be considered, must be mailed to all members. Such notices must contain full copies of the proposed changes in the by-laws and fair explanations of the intent and effect thereof.

Section 19. Conservator. If, upon an examination or at any other time, it appears to the Board of Insurance Commissioners that such association be insolvent, or its condition be, in the opinion of the Board, such as to render the continuance of its business hazardous to the public, or to holders of its certificates, or if such association appears to have exceeded its powers or failed to comply with the law, then the Board shall notify the association of its determination and said association shall have thirty (30) days under the supervision of the Board within which to comply with the requirements of the Board; and in the event of its failure to so comply within such time, the Board, acting for itself, or through the appointment of a conservator for that purpose, shall immediately take charge of such association, and all of the property and effects thereof. If the Board is satisfied that such association can best serve its policyholders and the public through its continued operation

by the conservator under the direction of said Board, pending the election of new directors and officers by the membership in such manner as the Board may determine, the same shall be done. If the Board, however, is satisfied that such association is not in condition to satisfactorily continue business in the interest of its policyholders under the conservator as above provided, the Board shall proceed to reinsure the outstanding liabilities in some solvent association, or company, authorized to transact business in this State, or the Board shall proceed, through its conservator, to liquidate such association, or the Board may give notice to the Attorney General as provided under the general laws relating to insurance corporations. Provided, however, that it shall be in the discretion of the Board to determine whether or not it will operate the association through its conservator, or proceed to liquidate the association, as herein provided, or report it to the Attorney General. Provided further, that when the liabilities of an association are reinsured, or liquidated, as herein provided, that the Board shall report the same to the Attorney General who shall take such action as may be necessary to effect the forfeiture or cancellation of the charter of the association so reinsured or liquidated. Provided, also, that where the Board lends its approval to the merger, transfer or consolidation of the membership of one association with that of another, the same shall be reported to the Attorney General who shall proceed to effect the forfeiture or cancellation of the charter of the association from which the membership was merged, transferred or consolidated, in the same manner as is provided for the charters of associations reinsured or liquidated. The cost incident to the conservator's services shall be fixed and determined by the Board and shall be a charge against the assets of the association to be allowed and paid as the Board may determine.

Section 20. Special Disability Provision. If any of the provisions of this Act may appear obscure when applied to health, accident or disability provisions in certificates which some associations subject hereto may be authorized to write, then the Board is directed to interpret same in accord with the expressed purpose

and spirit of the Act looking to the full payment of claims and at the same time preserving to members the benefit of the protection afforded by such associations.

Section 21. That Section 29, Chapter 274, Acts of the Forty-first Legislature, 1929, (page 563), be and the same is hereby repealed, insofar as same is in conflict with the provisions hereof relative to burial associations.

Section 22. That part of Section 6, Chapter 245, Acts of the Forty-third Legislature, as amended by Chapter 257, Acts of the Forty-fifth Legislature, exempting from its provisions any corporation, association or partnership, individual or joint stock company engaged in the undertaking business, or to any advertising corporation, association and/or partnership, individual, or joint stock company with whom they have contracts, be and the same is hereby repealed.

Section 23. Burial Associations. Burial associations now operating shall hereafter comply with and operate under the provisions of Chapter 274, Acts of the Forty-first Legislature, 1929, and amendments thereto as well as the provisions of this Act. Any person or persons desiring to organize and operate a burial association shall do so in compliance with the provisions of said Chapter 274, Acts of the Forty-first Legislature, and amendments thereto, and be governed by the provisions of that Chapter and this Act.

Section 24. Benefits Payable in Merchandise or Services. Burial associations shall pay benefits in cash or in merchandise and services; provided, however, the beneficiary under the policy shall determine whether the burial association shall pay in cash or in merchandise and services.

Section 25. Rules and Regulations. The Board is hereby authorized to promulgate reasonable rules and regulations to carry out the purposes of this Act.

Section 25. (a). Provided that nothing in this Act shall ever be construed to include or affect in any manner mutual fire insurance companies.

Section 26. Effective Date. Associations shall have until January 1, 1940, to bring themselves to full compliance with this law in all particu-

lars. By such date, in the event they shall not have done so, they shall be regarded as insolvent as provided herein, and dealt with accordingly. It is specially provided that if associations cannot so arrange their affairs as to make full payment of claims as herein required by such date, they may reduce the face amounts of the outstanding certificates by appropriate action having the approval of the Board, so as to make possible full payment of claims. All members must be given prompt notice of such amendment of such certificates.

Section 27. All laws or parts of laws in conflict with the provisions of this Act are hereby expressly repealed to the extent of such conflict.

Section 28. Constitutionality. The provisions of this Act are severable, and in the event the courts declare any part of it unconstitutional, the other provisions of the Act shall nevertheless remain in full force.

Section 29. Emergency Clause. The fact that the present laws governing life, health and accident assessment insurance do not adequately protect the members from loss through unwholesome, unsound or fraudulent practices, and the Board of Insurance Commissioners is not empowered to safeguard the public interest, and the immediate necessity for remedying the situations, create an emergency and an imperative public necessity that the Constitutional Rule requiring bills to be read on three several days in each House be suspended, and the same is hereby suspended, and this Act shall take effect and be in force from and after its passage, and it is so enacted."

Mr. Thornton offered the following amendment to the committee amendment:

Amend committee amendment to Senate Bill No. 135, by striking out Section 5 in its entirety and inserting in lieu thereof the following:

"Sec. 5. Bonds of Officers and Employees. Associations not already required by law to furnish a bond for the officer responsible for the handling of funds of the members shall furnish a bond in some surety company licensed to do business in Texas in the minimum amount of \$1,000.00, said bond to be kept at all times at least equal to the mortuary

or relief fund balance on hand, with a maximum of \$20,000.00. Said bond shall be made payable to the Board of Insurance Commissioners for the use and benefit of the members of the association and shall obligate the principal and surety to pay such pecuniary loss as the association shall sustain through acts of fraud, dishonesty, forgery, theft, embezzlement, wrongful abstraction or wilful misapplication on the part of such officer, either directly and alone, or in connivance with others.

"In addition to the bond required in the preceding paragraph and in addition to the bond already required by law of certain associations subject to this Act, each association shall procure for all other office employees, or other persons who may have access to any of its claim funds, separate bonds or blanket bonds with some surety authorized to do business in Texas in the sum of at least One Thousand (\$1,000.00) Dollars, payable to the Board of Insurance Commissioners for the use and benefit of the association obligating the principal and surety to pay such pecuniary loss as the association shall sustain through acts of fraud, dishonesty, forgery, theft, embezzlement, wrongful abstraction or wilful misapplication on the part of such persons, either directly and alone, or in connivance with others. Successive recoveries may be had on such bonds until same are exhausted."

The amendment by Mr. Thornton to the committee amendment was adopted.

(Speaker in the Chair.)

Question: Shall the committee amendment be adopted?

MESSAGE FROM THE SENATE

Austin, Texas, March 15, 1939.

Hon. R. Emmett Morse, Speaker of the House of Representatives.

Sir: I am directed by the Senate to inform the House the Senate has adopted the following:

H. C. R. No. 61, Providing for suspension of the rule with reference to Senate Bill day.

Respectfully,

BOB BARKER,

Secretary of the Senate.

CONSIDERATION OF HOUSE
JOINT RESOLUTION NO. 16

The Speaker laid before the House, in accordance with the provisions of House Concurrent Resolution No. 61,

H. J. R. No. 16, A Joint Resolution, Proposing an amendment to Section 51b of Article III of the Constitution of the State of Texas, giving the Legislature power by General Laws to provide for the payment of old age assistance subject to certain limitations, and fixing the qualifications of recipients of old age assistance and fixing the maximum amount of assistance which may be granted by the State, and providing old age assistance shall not be paid except to persons who are in need and otherwise qualified to receive such assistance; defining the word "need;" providing that old age assistance shall not be construed as a vested right in recipients of old age assistance; providing for authority to accept aid from the Government of the United States for old age assistance; levying and providing for the collection of a transaction tax of one and six-tenths (1.6%) per cent on the amount of actual value passing by each transaction and providing for the payment of such tax, and providing that where the amount of value which passes by a transaction is fixed by law, the tax of one and six-tenths (1.6%) per cent of such value shall be collected on the last transaction only; defining the words "value," "person" and "transaction" as used in such amendment; and providing what transactions shall be exempt from said transaction tax; providing that production of natural resources of this State shall be subject to such transaction tax and fixing the date such tax shall be effective against such production, and determining the person liable for such tax; providing that if such transaction tax against production of natural resources fails or cannot be collected, a severance tax of one and six-tenths (1.6%) per cent of the value of such production be and is levied on such production in lieu of said transaction tax; providing for collection of such tax by the Comptroller of Public Accounts and payment thereof to the State Treasurer; providing that such tax funds shall be credited to the Texas Old Age Assistance Fund, and requiring the transfer of certain of

such funds to the Confederate Soldiers Pension Fund, Destitute Children Assistance Fund and Teachers' Retirement Fund, and fixing the amount and time of such transfers; providing for the exclusive use which shall be made of such funds, and providing that no other tax shall be levied for the payment of old age assistance, Confederate Soldiers pensions, destitute children assistance and teachers' retirement pensions; providing for payment of part of surplus tax into General Fund of the State; allocating such tax funds in case the same be inadequate to pay assistance as provided in this amendment; prohibiting counties, cities, and other political subdivisions from levying transaction tax; giving the Legislature power by General Laws to provide for administration of the provisions contained herein and for the collection of all taxes herein levied; proposing to amend the Constitution of the State of Texas by adding thereto Section 1-b to Article VIII, abolishing all State ad valorem taxes from and after January 1, 1941, except as to property situated in counties or political subdivisions receiving a remission of State taxes, and further providing that State revenue received from cigarette tax shall be allocated to Available School Fund, and specifying what use may be made thereof; providing for submission of amendment to qualified electors of the State and fixing the time of such election; providing for the necessary proclamation and making an appropriation to defray the expenses of proclamation, publication and election.

The resolution having been read second time, on yesterday, with committee amendment No. 1, offered by Mr. Petsch, and amendment, by Mr. Corbett, to the committee amendment, pending.

Mr. Corry moved a call of the House, for the purpose of maintaining a quorum, until the noon recess or adjournment, and the call was duly ordered.

On motion of Mr. Corry, the Sergeant-at-Arms was instructed to bring in all absent Members within the city who are not ill.

(Pending consideration of House Joint Resolution No. 16, Mr. Leonard occupied the Chair temporarily.)

(Speaker in the Chair.)

Mr. Petsch then moved to table the amendment by Mr. Cornett, as amended.

Mr. Hale raised a point of order, on further consideration of the motion to table the amendment at this time, on the ground that a motion to table the proposition was previously defeated by the House.

The Speaker overruled the point of order.

Mr. Worley moved the previous question on the motion to table and the amendment by Mr. Cornett, as amended, and the main question was ordered.

Question recurring on the motion to table the amendment by Mr. Cornett, as amended, yeas and nays were demanded.

The roll of the House was called and the vote announced as follows—Yeas, 77; Nays, 71.

A verification of the vote was requested.

The roll of the "yeas" and "nays" was again called and the verified vote resulted, as follows:

Yeas—72

Allison	Harrell of Lamar
Alsup	Hartzog
Anderson	Heflin
Blankenship	Howard
Bond	Hull
Boyer	Johnson of Ellis
Bradford	Johnson of Tarrant
Broadfoot	Kennedy
Bundy	Kersey
Burkett	Kinard
Cauthorn	Leonard
Celaya	Little
Clark	Loggins
Cleveland	Mays
Colquitt	McAlister
Colson, Mrs.	McDaniel
Corry	McDonald
Crossley	McFarland
Daniel	McMurry
Dean	Monkhouse
Dickison	Montgomery
Dickson	Nicholson
Donaghey	Olsen
Dwyer	Pace
Felty	Petsch
Fielden	Pevehouse
Gilmer	Pope
Goodman	Reed
Hamilton	Rhodes
Hankamer	Riviere
Hardin	Schuenemann
Harper	Segrist

Shell
Stinson
Taylor
Thornton

Turner
Vale
Voigt
Wright

Nays—75

Allen	King
Bailey	Langdon
Baker	Lehman
of Fort Bend	Leyendecker
Baker of Grayson	Lock
Bell	London
Boyd	McNamara
Bradbury	Mohrmann
Bray	Morris
Bridgers	Newell
Brown of Cherokee	Oliver
Brown	Piner
of Nacogdoches	Reader of Erath
Burney	Reaves
Chambers	Roach
Cockrell	Roberts
Coleman	Robinson
Cornett	Russell
Davis of Jasper	Skiles
Davis of Upshur	Smith of Frio
Derden	Smith of Hopkins
Dowell	Smith
Faulkner	of Matagorda
Ferguson	Spencer
Fuchs	Stoll
Gaibreath	Talbert
Gordon, Mrs.	Tarwater
Hale	Tennant
Hardeman	Thornberry
Harp	Vint
Harrell of Bastrop	Waggoner
Harris	Weldon
Holland	Wells
Howington	Westbrook
Hunt	White
Isaacks	Wilson
Keith	Winfree
Kern	Wood
Kerr	Worley

Absent

Reader of Bexar

Absent—Excused

Ragsdale

The Speaker announced that the motion to table the amendment was lost.

Question recurring on the amendment by Mr. Cornett, as amended, yeas and nays were demanded.

The amendment, as amended, was adopted by the following vote:

Yeas—80

Allen	Baker
Bailey	of Fort Bend

Baker of Grayson	Leyendecker
Bell	Lock
Boyd	London
Bradbury	McNamara
Bray	Mohrmann
Bridgers	Morris
Brown of Cherokee	Newell
Brown	Oliver
of Nacogdoches	Olsen
Burney	Pace
Chambers	Piner
Cockrell	Reader of Erath
Coleman	Reaves
Cornett	Roach
Davis of Jasper	Roberts
Davis of Upshur	Robinson
Derden	Russell
Dowell	Skiles
Faulkner	Smith of Frio
Ferguson	Smith of Hopkins
Fuchs	Smith
Galbreath	of Matagorda
Gordon, Mrs.	Spencer
Hale	Stoll
Hardeman	Talbert
Harp	Tarwater
Harrell of Bastrop	Tennant
Harris	Thornberry
Holland	Vint
Howington	Waggoner
Hull	Weldon
Hunt	Wells
Isaacks	Westbrook
Keith	White
Kern	Wilson
Kerr	Winfree
Kersey	Wood
King	Worley
Langdon	Wright
Lehman	

Nays—68

Allison	Donaghey
Alsup	Dwyer
Anderson	Felty
Blankenship	Fielden
Bond	Gilmer
Boyer	Goodman
Bradford	Hamilton
Broadfoot	Hankamer
Bundy	Hardin
Burkett	Harper
Cauthorn	Harrell of Lamar
Celaya	Hartzog
Clark	Heflin
Cleveland	Howard
Colquitt	Johnson of Ellis
Colson, Mrs.	Johnson of Tarrant
Corry	Kennedy
Crossley	Kinard
Daniel	Leonard
Dean	Little
Dickson	Loggins
Dickson	Mays

McAlister	Reed
McDaniel	Rhodes
McDonald	Riviere
McFarland	Schuenemann
McMurry	Segrist
Monkhouse	Shell
Montgomery	Stinson
Nicholson	Taylor
Petsch	Thornton
Pevehouse	Turner
Pope	Vale
Reader of Bexar	Voigt

Absent—Excused

Ragsdale

Mr. Cornett moved to reconsider the vote by which the amendment, as amended, was adopted, and to table the motion to reconsider.

Question recurring on the motion to table, yeas and nays were demanded.

The roll of the House was called and the vote announced, as follows—Yeas, 77; Nays, 74.

A verification of the vote was requested.

The roll of the “yeas” and “nays” was again called and the verified vote resulted, as follows:

Yeas—69

Allen	Holland
Bailey	Howington
Baker	Hunt
of Fort Bend	Isaacks
Baker of Grayson	Keith
Bell	Kern
Boyd	Kerr
Bradbury	King
Bridgers	Langdon
Brown	Leyendecker
of Nacogdoches	Lock
Burney	London
Chambers	Mohrmann
Cockrell	Morris
Coleman	Newell
Cornett	Oliver
Davis of Jasper	Olsen
Davis of Upshur	Pace
Derden	Piner
Dowell	Reader of Erath
Faulkner	Reaves
Ferguson	Roach
Fuchs	Roberts
Galbreath	Robinson
Hale	Russell
Hardeman	Skiles
Harp	Smith of Hopkins
Harrell of Bastrop	Smith
Harris	of Matagorda

Spencer	Waggoner
Stoll	Weldon
Talbert	Wells
Tarwater	Westbrook
Tennant	White
Thornberry	Winfree
Vint	Wood

Nays—76

Allison	Johnson of Ellis
Alsup	Johnson of Tarrant
Anderson	Kennedy
Blankenship	Kersey
Bond	Kinard
Boyer	Lehman
Bradford	Leonard
Bray	Little
Broadfoot	Loggins
Brown of Cherokee	Mays
Bundy	McAlister
Burkett	McDaniel
Cauthorn	McDonald
Celaya	McFarland
Clark	McMurry
Cleveland	Monkhouse
Colquitt	Montgomery
Colson, Mrs.	Nicholson
Corry	Petsch
Crossley	Pevehouse
Daniel	Pope
Dean	Reader of Bexar
Dickison	Reed
Dickson	Rhodes
Donaghey	Riviere
Dwyer	Schuenemann
Felty	Segrist
Fielden	Shell
Gilmer	Smith of Frio
Goodman	Stinson
Hamilton	Taylor
Hankamer	Thornton
Hardin	Turner
Harrell of Lamar	Vale
Hartzog	Voigt
Heflin	Wilson
Howard	Worley
Hull	Wright

Absent

Gordon, Mrs.	McNamara
Harper	

Absent—Excused

Ragsdale

The Speaker announced that the motion to table was lost.

Mr. Hull moved the previous question on the pending amendment and the motion to reconsider the vote by which the amendment, by Mr. Cornett, to the committee amendment was

adopted, and the motion was not seconded.

Question: Shall the motion to reconsider prevail?

REASON FOR VOTE

I voted against the amendment by Mr. Cornett because the Legislature has the power to vote a tax to pay the old age pension in full. We need money now in the Old Age Assistance Fund and I do not wish to pass the buck by voting for House Joint Resolution No. 16 but want to pay the aged instead of waiting later to do it.

ALLISON.

BILL ORDERED NOT PRINTED

(By unanimous consent)

On motion of Mr. McFarland, House Bill No. 559 was ordered not printed.

BILLS AND RESOLUTION SIGNED BY THE SPEAKER

The Speaker signed, in the presence of the House, after giving due notice thereof and their captions had been read severally, the following enrolled bills and resolution:

H. C. R. No. 61, Providing for the consideration of House Joint Resolution No. 16.

S. B. No. 270, "An Act to reorganize the Special Ninth District Court of Montgomery County, Polk County, and San Jacinto County, Texas, by constituting it the Special Ninth District Court of Montgomery County, Polk County, San Jacinto County and Trinity County, prescribing its jurisdiction, limiting its existence, fixing its terms; to provide that the Judge of said Special Ninth District Court as now constituted shall continue to serve in the Special Ninth District Court after the same has been reorganized by this Act until the election and qualification of his successor; to limit the jurisdiction in Trinity County of such Special Ninth District Court; to provide that the District Clerks in the respective counties composing the Special Ninth District Court as herein reorganized, shall serve as the District Clerks of the Special Ninth District Court of Montgomery County, Polk County, San Jacinto County and Trinity County, in their respective counties, and declaring an emergency."

S. B. No. 69, "An Act withdrawing from appearing party review in Court

of Civil Appeals by means of writ of error, and declaring an emergency."

S. B. No. 215, "An Act assenting to the provisions of the Act of Congress entitled 'An Act to provide that the United States shall aid the States in wildlife-restoration projects and for other purposes', approved September 2, 1937, and declaring an emergency."

COMMUNICATION FROM LOWER COLORADO RIVER AUTHORITY

On motion of Mr. Kerr, the following communication from the Lower Colorado River Authority was ordered printed in the Journal:

Austin, Texas, March 14, 1939.

Hon. Coke Stevenson, Lieutenant Governor.

Hon. R. Emmett Morse, Speaker of the House of Representatives.

Gentlemen: Herewith is a resolution of the Board of Directors of Lower Colorado River Authority which is being presented to you in accordance with the terms of the resolution.

Very truly yours,

S. RAYMOND BROOKS,
Secretary.

"Whereas, There has been considerable discussion and some criticism in the public press and at legislative hearings of the policy of the Lower Colorado River Authority in respect to the construction and operation of its dams and other facilities for controlling floods on the Colorado river; and

Whereas, It is deemed advisable and expedient by the Board of Directors of the Lower Colorado River Authority that it go on record declaring its policy pertaining to matters of flood control in connection with its present facilities and especially so in connection with the proposal now pending to increase the height of the present Marshall Ford dam by an additional 78 feet; now, therefore, be it

Resolved by the Board of Directors of Lower Colorado River Authority that the following be made a matter of record in the minutes of the Board and copies be sent to the President of the Senate and to the Speaker of the House of Representatives, viz.:

"First. The Authority has installed approximately fifty rain gauges in the upper watershed of the Colorado river

and its tributaries, in addition to 35 such gauges now in existence in said area under direction of the United States Weather Bureau, and has made arrangements for daily reading of such gauges, and reports, direct to its office so that it will be fully informed of any storm or rainfall in the area capable of producing flood conditions on the river above as well as below its dams. In addition thereto the Authority has entered into a contract with the Board of Water Engineers of the State of Texas for the installation and operation, in connection with the United States Geological Survey, of 12 river gauges, six of which will be equipped and connected to a system of short wave broadcasting which will automatically record the stages of the river in the Authority's offices.

Second. The Authority is endeavoring to secure additional funds sufficient to complete Marshall Ford dam to the height recommended by the Bureau of Reclamation. The Bureau designed the high dam in such manner that 804,000 acre-feet of its capacity would be dedicated exclusively for flood storage and so that there would be an additional super flood storage in excess of 300,000 acre-feet, which plans and designs have heretofore been approved by the Authority, and the Authority reiterates its approval thereof. And the Authority here and now declares that if and when the high Marshall Ford dam is completed to the proposed height above the present plans, that it will dedicate and does hereby dedicate 804,000 acre-feet of such storage in addition to the super storage exclusively for flood storage.

Third. The Authority reiterates its policy of operating all of its facilities in such manner as to provide, in addition to the 804,000 acre-feet, the maximum of flood control possible, consistent with its financial obligations, and is confident that its present facilities, without the high dam at Marshall Ford, operated as it proposes to operate them, will control at least eight out of 10 floods of the intensity of any of the floods of record originating above its dams, and that with the high dam at Marshall Ford its operations will result in controlling all floods of record originating above its dams; be it further

Resolved, That the officers and employees of the Authority be, and they hereby are directed to take all steps

and do all things necessary to carry out fully the terms and intent of this resolution."

The foregoing is a true and correct copy of a resolution unanimously adopted by the Board of Directors of Lower Colorado River Authority at its meeting on the 14th day of March, A. D., 1939.

Witness my hand and seal of office this the 14th day of March, A. D., 1939.

S. RAYMOND BROOKS,
(Seal) Secretary.

HOUSE BILLS ON FIRST READING

The following House bills, introduced today, were laid before the House, read severally first time, and referred to the appropriate committees, as follows:

By Mr. Davis of Upshur:

H. B. No. 866, A bill to be entitled "An Act to provide for traveling expenses for members of the Commissioners Courts in certain counties, and declaring an emergency."

Referred to the Committee on Counties.

By Mr. Davis of Upshur:

H. B. No. 867, A bill to be entitled "An Act providing that in counties having a population of not less than twenty-two thousand, one hundred (22,100) and not more than twenty-two thousand, six hundred (22,600), according to the last preceding Federal Census, the County Judge may appoint a court stenographer to be called and known as the Official Court Reporter of the County Court; providing that the person appointed by said County Judge shall be approved by the Commissioners Court of the county in which appointed; to define and describe the duties of such Court Reporter and fix the compensation and tenure of office; prescribing the fund from which the salary is to be paid, and declaring an emergency."

Referred to the Committee on Counties.

By Mr. King:

H. B. No. 869, A bill to be entitled "An Act prohibiting the liberation of wild fox in Parker County; providing a suitable penalty for any violation of this Act; repealing all laws in con-

flict with this Act, and declaring an emergency."

Referred to the Committee on Game and Fisheries.

Mr. White asked unanimous consent, to introduce, at this time, and have placed on first reading, House Bill No. 868.

There was no objection offered.

The Speaker then laid the bill before the House, it was read first time, and referred to the appropriate committee, as follows:

By Mr. White:

H. B. No. 868, A bill to be entitled "An Act validating the creation or attempted creation of all consolidated rural high school districts and all acts of the Board of Trustees of such districts in ordering and holding elections, levying taxes, issuing bonds and all tax assessments and rolls of such districts and all bonds and all other actions by the Boards of Trustees in this connection, providing that this Act shall not apply to districts now involved in litigation, and declaring an emergency."

Referred to the Committee on School Districts.

HOUSE JOINT RESOLUTION ON FIRST READING

Mr. Brown of Nacogdoches asked unanimous consent, to introduce, at this time, and have placed on first reading, House Joint Resolution No. 40.

There was no objection offered.

The Speaker then laid the resolution before the House, it was read first time, and referred to the appropriate committee, as follows:

By Mr. Brown of Nacogdoches, Mr. Bundy and Mr. McFarland:

H. J. R. No. 40, Proposing an amendment to Section 18, Article 8 of the Constitution of Texas, providing the Legislature shall have power for equalization, as near as may be, the valuation of property subject to or rendered for taxation. The Commissioners Court shall appoint a Board of Equalization; providing the qualifications of said Board; providing for classification of all lands with reference to their values in the several counties in this State.

Referred to the Committee on Constitutional Amendments.

ADJOURNMENT

Mr. Petsch moved that the House recess until 10:00 o'clock a. m., tomorrow.

Mr. Bond moved that the House adjourn until 10:00 o'clock a. m., tomorrow.

Mr. Derden moved that the House recess until 3:00 o'clock p. m., today.

Mr. Cornett moved that the House adjourn until 3:00 o'clock p. m., today.

The motion of Mr. Bond prevailed, and the House, accordingly, at 1:35 o'clock p. m., adjourned until 10:00 o'clock a. m., tomorrow.

APPENDIX

STANDING COMMITTEE REPORTS

The following committees have filed favorable reports on bills, as follows:

Highways and Motor Traffic: House Bill No. 72; Senate Bill No. 75.

Judicial Districts: House Bill No. 585; Senate Bill No. 271.

Counties: House Bills Nos. 862, 849, and 449; Senate Bill No. 280.

Education: House Bills Nos. 270 and 652.

School Districts: House Bills Nos. 853, 854, 855, 857, 863 and 868.

Municipal and Private Corporations: House Bills Nos. 580 and 740.

The Committee on Liquor Traffic filed an adverse report on House Bill No. 261.

REPORT OF THE COMMITTEE ON ENGROSSED BILLS

Committee Room,

Austin, Texas, March 15, 1939.

Hon. R. Emmett Morse, Speaker of the House of Representatives.

Sir: Your Committee on Engrossed Bills, to whom was referred

H. C. R. No. 61, Providing for suspension of Rule with reference to Senate bill day.

Has carefully compared same and finds it correctly engrossed.

WELDON, Vice-Chairman.

REPORT OF THE COMMITTEE ON ENROLLED BILLS

Committee Room,

Austin, Texas, March 15, 1939.

Hon. R. Emmett Morse, Speaker of the House of Representatives.

Sir: Your Committee on Enrolled Bills, to whom was referred

H. C. R. No. 61, Providing for suspension of the Rule with reference to Senate bill day.

Has carefully compared same and finds it correctly enrolled.

HAMILTON, Chairman.

SENT TO THE GOVERNOR

March 15, 1939

House Bill No. 379.

House Concurrent Resolution No. 59.

House Concurrent Resolution No. 60.

House Concurrent Resolution No. 61.

THIRTY-NINTH DAY

(Thursday, March 16, 1939)

The House met at 10:00 o'clock a. m., pursuant to adjournment, and was called to order by Speaker Morse.

The roll of the House was called, and the following Members were present:

Mr. Speaker	Celaya
Allen	Chambers
Allison	Clark
Alsup	Cleveland
Anderson	Cockrell
Bailey	Coleman
Baker	Colquitt
-of Fort Bend	Colson, Mrs.
Baker of Grayson	Cornett
Bell	Corry
Blankenship	Crossley
Bond	Daniel
Boyd	Davis of Jasper
Boyer	Davis of Upshur
Bradbury	Dean
Bradford	Derden
Bray	Dickison
Bridgers	Dickson
Broadfoot	Donaghey
Brown of Cherokee	Dowell
Brown	Dwyer
-of Nacogdoches	Faulkner
Bundy	Felty
Burkett	Ferguson
Burney	Fielden
Cauthorn	Fuchs